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June 29, 2005

* DENOTES PROFESSIONAL CORPORATION † ADMITTED ONLY IN SWEDEN

CHRISTOPHER P. RIDOUT TONI RAYKOVICH

VIA CERTIFIED MAIL & U.S. MAIL

Steven A. Burd Chairman, President and Chief Executive Officer Safeway, Inc. 5918 Stoneridge Mall Rd. Pleasanton, CA 94588

CC: care of Agent for Service of Process Corporate Service Company 2730 Gateway Oaks Dr., Suite 100 Sacramento, CA 95833

Dear Mr. Burd:

The Environmental Law Foundation ("ELF") is a California non-profit organization dedicated to the preservation and enhancement of human health and the environment. ELF has a long-standing interest in reducing health hazards to the public posed by toxic chemicals and protecting the public from harmful substances.

This letter constitutes notice that the entity listed below has violated and continues to violate provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health and Safety Code §§ 25249.5 et seq. Specifically, this entity has violated and continues to violate the warning requirement at § 25249.6 of the California Health and Safety Code, which provides, "No person in the course of doing business shall knowingly and intentionally expose any individual to a chemical known to the state to cause cancer or reproductive toxicity without first giving clear and reasonable warning to such individual..."

Alleged Violator: Safeway, Inc. (dba Vons, dba Pavilions)

Safeway, Inc. is a retail distributor of numerous products to the California consumer market. Specifically, Safeway, Inc. sells the snack products Pringles, Lay's, Kettle Chips, and Cape Cod. These products are available in various types and flavors and may be readily purchased by consumers. Several of these varieties contain the chemical Acrylamide, known to the state to cause

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cancer. These varieties include, but are not limited to: Pringles Original Snack Stack; Lay's Baked! Original; Lay's Baked! KC Masterpiece BBQ; Lay's Stax KC Masterpiece BBQ; Kettle Chips Lightly Salted; Kettle Chips Honey Dijon; and Cape Cod Classic. At all relevant times and continuing to the present time, this entity has exposed and continues to expose all consumers of these products, within the state of California, to high levels of Acrylamide, a carcinogen. Exposure has occurred through ingestion of the product by consumers.

Because Acrylamide is a chemical listed in Proposition 65 as a cancer-causing chemical, pursuant to Health and Safety Code § 25249.6 this entity was, and is, required to provide clear and reasonable warnings to all consumers of its product. The warnings must state that products contain a chemical known by the State of California to cause cancer. Pursuant to Health and Safety Code § 25249.7(d), ELF intends to bring suit in the public interest against the above named entity sixty days hereafter to correct the violation occasioned by the failure to warn all consumers to the exposure of Acrylamide.

Pursuant to 22 California Code of Regulations § 12903(b)(1), attached is a copy of "The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary," a summary of Proposition 65 prepared by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency.

Pursuant to Health and Safety Code § 25249.7(d)(1), the undersigned hereby include the attached Certificate of Merit, to wit, that the undersigned have consulted with one or more persons with relevant and appropriate experience or expertise who has or have reviewed facts, studies, or other data regarding the exposure to the listed chemical that is the subject of this notice, and that, based on that information, the undersigned believe there is a reasonable and meritorious case. Factual information sufficient to establish the basis of this Certificate of Merit is included with the notice that is served on the Attorney General and is provided to that office in confidence and is not to be disclosed except according to law.

ELF is located at: 1736 Franklin, 9th Floor, Oakland, California 94612, telephone (510) 208-4555. ELF is represented in this matter by the law firm of Rose, Klein and Marias LLP: 801 S. Grand Ave., 18th Floor, Los Angeles, CA 90017-4645. All communications concerning this matter should be directed to Christopher P. Ridout.

Very truly yours

Christopher P. Ridout

CPR:laa

cc: See attached list

CERTIFICATE OF MERIT

Health and Safety Code Section 25249.7(d)

I, Christopher P. Ridout, hereby declare:

- (1) This Certificate of Merit accompanies the attached sixty-day notice in which it is alleged the parties identified in the notices have violated Health and Safety Code section 25249.6 by failing to provide clear and reasonable warnings.
 - (2) I am an attorney for the Environmental Law Foundation.
- (3) I have consulted with one or more persons with relevant and appropriate experience or expertise who has reviewed facts, studies, or other data regarding the alleged exposure to the listed chemical that is the subject of the action.
- (4) Based on the information obtained through those consultations, and on all other information in my possession, I believe there is a reasonable and meritorious case for the private action. I understand that "reasonable and meritorious case for the private action" means that the information provides a credible basis that all elements of the plaintiffs' case can be established and the information did not prove that the alleged violator will be able to establish any of the affirmative defenses set forth in the statute.
- (5) The copy of this Certificate of Merit served on the Attorney General attaches to it factual information sufficient to establish the basis for this certificate, including the information identified in Health and Safety Code section 25249.7(h)(2), *i.e.*, (1) the identity of the persons consulted with and relied on by the certifier, and (2) the facts, studies, or other data reviewed by those persons.

Dated: June 29, 2005

Christopher P. Ridout

Rose, Klein & Marias LLP.

801 South Grand Avenue 18th Floor

Los Angeles, CA 90017-4645

Attorney on behalf of the Environmental Law Foundation

The Honorable Thomas Orloff District Attorney ALAMEDA COUNTY 1225 Fallon Street, Room 900 Oakland, CA 94612

The Honorable Michael Ramsey District Attorney BUTTE COUNTY 25 County Center Drive Oroville, CA 95965

The Honorable Robert Kochly District Attorney CONTRA COSTA COUNTY PO Box 670 Martinez, CA 94553

The Honorable Elizabeth Egan District Attoiney FRESNO COUNTY 2220 Tulare Street, #1000 Fresno, CA 93721

The Honorable Gilbert Otero District Attorney IMPERIAL COUNTY 939 West Main Street El Centro, CA 92243

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The Honorable Ronald Calhoun District Attorney KINGS COUNTY 1400 West Lacey Blvd. Hanford, CA 93230

The Honorable Steve Cooley
District Attorney
LOS ANGELES COUNTY
210 West-Temple Street, Ste. 18000
Los Angeles, CA 90012

The Honorable William Richmond District Attorney ALPINE COUNTY P.O. Box 248 Markleeville, CA 96120

The Honorable Jeffrey Tuttle District Attorney CALAVERAS COUNTY 891 Mountain Ranch Road San Andreas, CA 95249

The Honorable Michael Riese District Attorney DEL NORTE COUNTY 450 H Street Crescent City, CA 95531

The Honorable Robert Holzapfel District Attorney GLENN COUNTY P.O. Box 430 Willows, CA 95988

The Honorable Arthur Maillet District Attorney INYO COUNTY P.O. Drawer D Independence, CA 93526

The Honorable Gerhard Luck District Attorney LAKE COUNTY 255 N. Forbes Street Lakeport, CA 95453

The Honorable Ernest LiCalsi District Attorney MADERA COUNTY 209 West Yosemite Avenue Madera, CA 93637 The Honorable Todd Riebe District Attorney AMADOR COUNTY 708 Court Street, #202 Jackson, CA 95642

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The Honorable Gary Lacy District Attorney EL DORADO COUNTY 515 Main Street Placerville, CA 95667

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The Honorable Robert Burns District Attorney LASSEN COUNTY 220 S. Lassen Street, Stc. 8 Susanville, CA 96130

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The Honorable Michael Ferguson District Attorney NEVADA COUNTY 201 Church Street, Suite 8 Nevada City, CA 95959

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The Honorable Bob Lee District Attorney SANTA CRUZ COUNTY 701 Ocean Street, Room 200 Santa Cruz, CA 95060

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The Honorable James Andrus District Attorney SISKIYOU COUNTY P.O. BOX 986 Yreka, CA 96097

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The Honorable Gregg Cohen District Attorney TEHAMA COUNTY P.O. BOX 519 Red Bluff, CA 96080

The Honorable David Cross District Attorney TRINITY COUNTY P.O. BOX 1310 Weaverville, CA 96093

The Honorable Phillip Cline District Attorney TULARE COUNTY 221 South Mooney Blvd., Ste 224 Visalia, CA 93291

The Hon. Donald Segerstrom, Jr. District Attorney TUOLUMNE COUNTY 423 No. Washington Street Sonora, CA 95370

The Honorable Gregory Totten District Attorney VENTURA COUNTY 800 South Victoria Avenue Ventura, CA 93009

The Honorable David Henderson District Attorney YOLO COUNTY 301 Second Street Woodland, CA 95695

The Honorable Patrick McGrath District Attorney YUBA COUNTY 215 Fifth Street Marysville, CA 95901

The Honorable Rockard Delgadillo City Attorney CITY OF LOS ANGELES 200 N. Main Street Los Angeles, CA 90012

The Honorable Michael Aguirre City Attorney CITY OF SAN DIEGO 1200 Third Avenue, 3rd Floor San Diego, CA 92101

The Honorable Dennis Herrera City Attorney CITY OF SAN FRANCISCO City Hall, Room 234 San Francisco, CA 94102

The Honorable Richard Doyle City Attorney CITY OF SAN JOSE 151 W. Mission St. San Jose, CA 95110

Attorney General of California Prop. 65 Enforcement Reporting Attention: Prop. 65 Coordinator 1515 Clay Street, Suite 2000 P.O. Box 70550 Oakland, California 94612-0550